

MINUTES  
MALIBU CITY COUNCIL  
QUARTERLY MEETING  
APRIL 30, 2003  
CITY HALL  
6:00 P.M.

**CALL TO ORDER**

Mayor Kearsley called the meeting to order at 6:05 p.m.

**ROLL CALL**

The following persons were recorded in attendance by the Recording Secretary:

PRESENT: Mayor Ken Kearsley, Mayor Pro Tem Sharon Barovsky, Councilmembers Joan House, Jeff Jennings and Andrew Stern.

ALSO PRESENT: Katie Lichtig, City Manager; Christi Hogin, City Attorney; Julia James, Administrative Services Director; Ed Knight, Interim Planning Manager; Vic Peterson, Building Official; Gail Sumpter, Permit Services Supervisor; Claudio Sanchez, Acting City Engineer; Richard Calvin, Maintenance Manager; Paul Adams, Parks and Recreation Director; Barbara Cameron, Grant Writer; and Lisa Pope, City Clerk

**FLAG SALUTE**

Mayor Kearsley led the Pledge of Allegiance.

**APPROVAL OF AGENDA**

MOTION Councilmember House moved and Councilmember Stern seconded a motion to approve the agenda. The motion carried unanimously.

**REPORT ON POSTING OF AGENDA**

City Clerk Pope reported that the agenda for the meeting was posted on April 24, 2003.

**CLOSED SESSION REPORT**

City Attorney Hogin reported that the Council met in Closed Session at 5:30 p.m. to discuss Trancas P C H v. City of Malibu and approved a settlement agreement. She provided an overview of the tentative map process and terms of the settlement.

**PUBLIC COMMENTS**

David Visser questioned the status of the Local Coastal Program (LCP). He asked if the City had proposed amendments to the LCP.

City Attorney Hogin explained that there were three fronts on which the City was trying to deal with the LCP adopted by the Coastal Commission:

1. Proposing amendments to the LCP to change it in ways that make it acceptable to the City of Malibu;
2. Citizen referendum that was filed; election has been postponed due to litigation over whether the LCP is subject to referendum; awaiting decision from Court which will indicate who has to issue Coastal Development Permits; and
3. Over 10 cases of litigation related to the LCP

Mr. Visher asked why the City believed the Coastal Commission would approve an alternative LCP. City Attorney Hogin stated the Coastal Commission and the City wanted the Coastal Act to be implemented.

Councilmember Jennings explained why he felt the Coastal Commission would accept an alternative proposal.

Mr. Visher asked why the City thought that suing the Coastal Commission would make them friendlier to the City's amendments. Councilmember Jennings stated the litigation was not personal. He explained that the City had been invited to come back to present its proposals. He stated staff had been directed to make various changes to the LCP, which would be circulated for public review and then approved by the Council.

Councilmember House asked the City Attorney's estimate on when Coastal Development Permits would be issued. City Attorney Hogin stated she would have thought it would have been sooner, but she would ask the Judge if he has an estimate. Councilmember House asked if there was something that had to be done to guarantee that either the Coastal Commission or City would begin issuing Coastal Development Permits. City Attorney Hogin explained that if the City was unsuccessful in trial court, the City could start issuing permits and then process an appeal. She further explained that if the City was successful in trial court, she is sure the Coastal Commission would begin issuing permits voluntarily.

Councilmember House asked if there was an avenue to compel either party to issue permits. City Attorney Hogin stated the City will issue permits if so required and there was an avenue to compel the Coastal Commission to issue permits.

## **COUNCIL COMMENTS**

Councilmember House indicated she attended Youth In Government Day.

Mayor Pro Tem Barovsky stated Youth In Government Day was fabulous.

Councilmember Stern stated Youth in Government Day was a great day.

Mayor Pro Tem Barovsky discussed the Trancas P C H settlement. She discussed a previous settlement negotiation that the City refused to negotiate which resulted in the Lunita condominiums. In response to Mayor Pro Tem Barovsky, City Attorney Hogin explained the 4 affordable condominium units to be included in the development and how they would be maintained by covenant.

Councilmember Stern stated 27 acres of open space was included in the Trancas P C H settlement.

Mayor Kearsley indicated he attended Youth In Government Day. He read a letter from a soldier in the City's adopted Alpha Company.

Councilmember House discussed a letter she received from a soldier in the Alpha Company.

Mayor Kearsley stated he hoped to do something for the 101<sup>st</sup> Airborne on 4<sup>th</sup> of July.

**1. New Business**

**A. Third Quarter Financial Report**

Administrative Services Director James provided an overview of the Third Quarter Financial Report.

Councilmember Jennings explained that the additional appropriations were necessary because the Council had not formally appropriated the revenue. He questioned the projected property tax amount. Administrative Services Director James explained that an educated guess was provided for property tax revenue. Councilmember Jennings asked whether the City was being conservative on that line item. Administrative Services Director James explained that she had budgeted a 6% increase overall on property taxes. She stated the City Treasurer believes an 8% increase was possible. She explained that the growth was declining and it appeared that it would be closer to 6%. Councilmember Jennings asked about the additional appropriation for the City Attorney's account. He asked about the Adopt A Storm Drain program. Administrative Services Director James explained that Caltrans had rejected installation of signs which reduced the revenue received on the program.

Councilmember Stern asked about the \$500,000 reduction in Vehicle License Fees (VLF) fees. City Manager Lichtig explained that it was difficult to anticipate what would happen with the State's budget. She further explained that it appears that the VLF will again be diverted from local governments to cover other State expenses. She stated she and her colleagues have determined that it was more prudent to propose a budget in anticipation of losing the VLF fee.

Mayor Kearsley discussed the deficit in the Governor's budget. City Manager Lichtig stated the Governor's mid-year package was expected to be available on May 15, 2003.

Councilmember House asked if a Coastal Development Permit was necessary for the Winter Canyon cul de sac project. City Manager Lichtig stated the project would fall under a maintenance exemption for a pilot program.

Councilmember House discussed the City Treasurer's review of property tax revenue from 1991 to present. She expressed concern about the revenue exceeding the budgeted amount.

Mayor Pro Tem Barovsky explained that she had asked the City Manager the appropriate reserve level. She suggested reviewing the reserve fund considering the costs incurred during the 1993 fire.

Councilmember Jennings explained how the \$8 million reserve goal was established. He stated it was a good idea for the City Manager to determine an appropriate reserve.

City Manager Lichtig explained that she would review the fundamental rationale for an appropriate reserve.

Councilmember House asked about the fiscal year 2001-2002 underestimated property tax. Administrative Services Director James explained that FEMA and OES reimbursements were received resulting in an underestimate.

#### MOTION

Councilmember Jennings moved and Councilmember House seconded a motion to 1) appropriate \$25,000 from the \$90,000 settlement payment received from Pepperdine in 2001 to the CIP Fund 310 for the Winter Canyon Cul-de-Sac project; 2) \$90,000 to the City Attorney's budget to cover additional litigation (\$60,000) and prosecution (\$30,000) costs incurred during the fiscal year; and 3) \$100,000 to the Building Safety Division's budget to cover additional costs. The motion carried unanimously.

#### CONSENSUS

By consensus, the Council determined to reorder the agenda to hear Item No. 1.C.b. at this point.

#### **C. Third Quarter Fiscal Year 2002-2003 Council Goals Status Report**

##### **b. Presentation of Vision 2020 Proposal (Continued from April 12, 2003)** Staff recommendation: Consider budget alternatives.

Georgianna McBurney encouraged the City to begin a visioning process.

Rich Davis reviewed the need for a 2020 Vision program.

Mayor Pro Tem Barovsky discussed the Administration and Finance Subcommittee's review of the project. She indicated the Subcommittee had requested a more detailed budget analysis be provided. She explained that the 2020 Committee would work with the City Manager and homeowner's associations, and come back to Council with a more specific scope and budget.

Councilmember House discussed the General Plan Task Force and input received from each homeowner's association to receive their visions. She suggested similar input be obtained at the beginning of a visioning process.

Mayor Pro Tem Barovsky suggested the visioning process not begin while a "hot issue" was before the City. She stated the actual process should begin after the Malibu Bay Company Development Agreement was decided.

Mr. Davis requested clarification on Task 1.

Councilmember House explained that Mr. Davis should work closely with City Manager Lichtig in the development of the first task.

Councilmember Jennings discussed the benefits of a visioning process. He expressed concern that budgeting would be a problem. He discussed the possibility of a non-profit group seeking grant funding, which would also give distance from the City and provide a non-political process.

Mr. Davis indicated they would pursue the possibility of grant funding. He stated they would like to begin the process with a "Malibu at a Glance" booklet and populating the website.

MOTION Councilmember House moved and Mayor Kearsley seconded a motion to direct the committee to proceed with Task 1, with the previously allocated funds, work with City Manager Lichtig on tasks, work on Malibu at a Glance, and begin working on the website. The question was called and the motion carried unanimously.

**B. Proposed Budget for Fiscal Year 2003-2004**

Staff recommendation: Consider budget alternatives.

Administrative Services Director James provided an overview of the Proposed Budget for Fiscal Year 2003-2004.

Councilmember Jennings discussed the need to review the Council Goals. He suggested staff provide possible goals and the Council add those from their memory and then the Council meet to prioritize goals. City Manager Lichtig stated Council Goals could be brought back on May 12, 2003.

## CONSENSUS

By consensus, the Council directed staff to bring back the Council Goals, in no certain order, on May 12, 2003.

Councilmember House suggested adding AB947 under legislation.

Mayor Kearsley suggested opposing AB 974.

City Manager Lichtig suggested more generic language be provided regarding the Council's legislative agenda.

Administrative Services Director James reviewed the Schedule of Fund Balances, Revenue Detail by Fund.

Councilmember Jennings discussed projected property tax revenues. Councilmember House stated the revenue had consistently been 8% higher over the last couple years. Administrative Services Director James indicated the revenue appeared to be around 6% higher this year. Mayor Kearsley stated it appeared that revenue would be higher. City Manager Lichtig discussed fluctuations that would occur due to Coastal Development Permits not being issued. She stated the Council could review how to dedicate property tax revenues received over the estimated amount.

Mayor Kearsley proposed raising the parking tax by 5%. Councilmember Stern and Councilmember Jennings indicated it was not likely to happen.

Administrative Services Director James reviewed proposed cuts to the General Fund Program.

City Manager Lichtig explained that the Council had indicated its priorities and approvals for cuts at the January 2003 Quarterly City Council meeting.

Mayor Kearsley asked about the Point Dume Shuttle and if it was possible to request relief from the required service.

Councilmember Jennings explained that there was an opening to reconsider the shuttle requirement. City Manager Lichtig indicated she would review the settlement agreement and report back to the Council.

Mayor Pro Tem Barovsky asked if it was possible to reinstate general fund grant funding. City Manager Lichtig explained that it would be necessary to cut from some other reserve in order to bring the budget into balance.

Item 1.C. was deferred until later in the meeting.

**D. Third Quarter Fiscal Year 2002-2003 Work Program Status Report**

1. Administrative Services

Administrative Services Director James indicated the General Fund Grant application binders had been distributed.

The Council had no questions.

2. Building Safety

Environmental and Community Development Director Peterson summarized the Building Safety Department Third Quarter FY 2002-2003 Work Program Status Report.

Councilmember Jennings stated he was encouraged that geology and wastewater reports could be submitted Monday through Friday. He discussed internal movement of plans. He requested an update on the wastewater inspector program. Environmental and Community Development Director Peterson stated Larry Young and Craig George received their national certification as trainers and the Wastewater Advisory Committee was working on setting up the program. Councilmember Jennings stated it was important to have enough certified, licensed inspectors so that fees are competitive.

Councilmember House congratulated the Environmental and Community Development Department on the smooth transition. She commended the Department for brush clearance efforts. Environmental and Community Development Director Peterson discussed coordinated efforts with the Fire Marshall.

Mayor Kearsley discussed the Groundwater Study and suggested not releasing any data until a series of data had been obtained.

Councilmember House asked if permits would expire for those with Planning in Concept approval. Environmental and Community Development Director Peterson explained that projects in planning, with planning approval, but lacking a Coastal Development Permit, were being taken into Building for plan check.

4. Planning

Interim Planning Manager Knight explained the process to extend permits for those awaiting Coastal Development Permits.

Mayor Kearsley commended Interim Planning Manager Knight for changes in the Planning Division. Interim Planning Manager Knight discussed staff training and weekly meetings.

Councilmember Stern indicated he had heard good things from the community about Interim Planning Manager Knight.

In response to Mayor Pro Tem Barovsky, Interim Planning Manager Knight discussed the steps taken to prepare for the City issuing Coastal Development Permits. City Manager Lichtig stated a fee schedule for Coastal Development Permits would be presented to the Council on May 12, 2003.

Councilmember Jennings asked for an assessment of weaknesses in handling planning paperwork. Environmental and Community Development Director Peterson discussed efforts being taken to track projects in process.

#### CONSENSUS

By consensus, the Council directed staff to add a review of the plan process to the next Quarterly City Council meeting agenda.

City Manager Lichtig thanked Environmental and Community Development Director Peterson and his staff for their commitment to the transition.

- 3.a. Engineering Services / Public Works and
- 3.b. Third Quarter Fiscal Year 2002-2003 Capital Improvement Projects Status Report

Acting City Engineer Sanchez provided an overview of Public Works / Engineering Department Works Program Status Report and 3<sup>rd</sup> Quarter Fiscal Year 2002-2003 Capital Improvement Project Status Report.

Councilmember House asked about commercial recycling. Maintenance Manager Calvin explained the efforts by Solid Waste Solutions to get commercial establishments on board with recycling. City Manager Lichtig recommended incorporating a report back at the next Quarterly City Council meeting.

#### CONSENSUS

By consensus, the Council directed staff to report back on commercial recycling at the next Quarterly City Council meeting.

Councilmember House congratulated the Department on completion of the public counter and Senior Center.

Councilmember Jennings questioned the potential for undergrounding utility lines. Acting City Engineer Sanchez indicated that information could be provided to the Council at a later date.

Mayor Pro Tem Barovsky discussed the formation of an assessment district on Malibu Road for undergrounding of utility lines.



## CONSENSUS

By consensus, the Council directed staff to provide an estimate, per lineal foot, on undergrounding utilities.

Maintenance Manager Calvin discussed the overlay on Broad Beach, near a future water line. He requested pushing the project off until next fiscal year.

Councilmember House suggested notification be sent to the residents. Maintenance Manager Calvin stated he had a meeting with the Water District to discuss the project.

### 4. Parks and Recreation

Parks and Recreation Director Adams reviewed the Third Quarter Parks and Recreation Work Program.

Councilmember Jennings indicated he was looking forward to the joint use agreement with the School District to allow access to the gymnasium for youth activities.

Councilmember House commended the Department for recreation programs.

Parks and Recreation Director Adams discussed the new programs offered for special needs children.

Mayor Kearsley commended staff on the success of Youth in Government Day.

### 6. City Clerk

City Clerk Pope provided an overview of City Clerk Work Program Status Report.

Councilmember Jennings requested the website version of the General Plan be more searchable.

### 8. City Manager and

#### 1.C. Third Quarter Fiscal Year 2002-2003 Council Goals Status Report

City Manager Lichtig reported on the City Manager's Third Quarter Work Program Status.

In response to Mayor Pro Tem Barovsky, Grant Consultant Cameron provided an overview of the status of the Las Flores Park. She explained that the City would receive \$55 credit per hour volunteered by City Councilmembers.

Mayor Pro Tem Barovsky asked why picnic tables and sand could not be installed now. Grant Consultant Cameron stated the trail would be installed in first stage. Mayor Pro Tem Barovsky requested a future item to approve installation of picnic tables.

Councilmember House suggested adding a goal to establish a safe portion of the park in the near future including picnic tables and play equipment.

Councilmember Jennings stated he was intrigued by the steelhead trout expert at Las Flores. Grant Consultant Cameron discussed City's participation in Solstice Creek.

City Manager Lichtig stated Caltrans had submitted a grant application in the City's name without obtaining the City's permission. She stated she was disinclined to take on more capital projects above and beyond Council's goals for capital projects and before being fully staffed.

Mayor Pro Tem Barovsky asked why an outside project manager could not be utilized. City Manager Lichtig discussed time and expense associated with the proposed project. Mayor Pro Tem Barovsky indicated support for the grant.

Councilmember House requested information be provided on time availability and realistic accomplishments.

City Manager Lichtig indicated the Public Works Department task list could be provided.

Mayor Kearsley suggested a letter be sent to Caltrans indicating the City's opinion and input should be obtained for grant applications.

**ADJOURN** At 9:43 p.m., Councilmember Jennings moved and Councilmember House seconded a motion to adjourn. The motion carried unanimously.

Approved and adopted by the City Council of  
the City of Malibu on June 9, 2003.

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KENNETH KEARSLEY, Mayor

ATTEST:

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LISA POPE, City Clerk  
(seal)